

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 07945 231751Z
ACTION STR-07

INFO OCT-01 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00
AID-05 SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02
OMB-01 DOE-15 JUSE-00 AF-10 ARA-10 EA-10 EUR-12
NEA-11 /167 W

-----090442 231753Z/43

P 231738Z MAY 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 0016

LIMITED OFFICIAL USE GENEVA 07945

USMTN

STR FOR ACTION

E.O. 11652: N/A
TAGS: MTN, ETRD, EEC
SUBJECT: CUSTOMS VALUATION - LATEST EC DRAFT

1. SUMMARY: MTN DEL RECEIVED TODAY LATEST EC DRAFT ON CUSTOMS VALUATION (BEING HAND-CARRIED TO WASHINGTON BY STOHLER/COMMERCE). ALTHOUGH DRAFT DOES NOT COMPLETELY MEET U.S. IDEALS IT IS A SIGNIFICANT STEP FORWARD IN COMING CLOSER TO U.S. SUGGESTED LANGUAGE. ALSO INCLUDED WITH DRAFT VALUATION CODE IS A COPY OF THE EXPLANATION CIRCULATED TO THE MEMBER STATES WITH THE DRAFT CODE. EC DEL HAS REQUESTED THAT THIS ATTACHED LETTER BE HELD CLOSELY. END SUMMARY.

2. FOLLOWING IS BRIEF DESCRIPTION OF EC DRAFT:

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 07945 231751Z

ARTICLE 1 - ALMOST TOTALLY U.S. LANGUAGE.

ARTICLE 2 - ALMOST TOTALLY U.S. LANGUAGE. INCLUDES U.S. SUGGESTED LANGUAGE RE COMPARABLE COMMERCIAL LEVEL AND QUANTITIES, BUT ALSO INCLUDES EC CONCEPT TO ALLOW ADJUSTMENTS. MAINTAINED USE OF "GROWN, PRODUCED, OR MANUFACTURED".

ARTICLE 3 - SAME COMMENTS AS FOR ARTICLE 2. REWROTE
DEFINITION OF "SIMILAR" COMBINING U.S. AND EC LANGUAGE.
ARTICLE 4 - SAME AS ORIGINAL EC DRAFT.

ARTICLE 5 - U.S. COMPUTED VALUE LANGUAGE, MAINTAINING
COMPUTED VALUE FOR IDENTICAL OR SIMILAR GOODS.

ARTICLE 5 BIS - NEW DRAFT OF FINAL VALUATION STANDARD
AS FOLLOWS:

QUOTE:

- (1) WHERE THE CUSTOMS VALUE CANNOT BE DETERMINED
- UNDER THE PROVISIONS OF ARTICLES 1, 2, 3, 4 AND 5,
- THE RESPONSIBLE AUTHORITIES OF THE COUNTRY OF IMPORT-
- TATION SHALL DETERMINE THE VALUE IN AN APPROPRIATE
- MANNER HAVING REGARD TO THE CIRCUMSTANCES OF THE PAR-
- TICULAR SALE OR OTHER TRANSACTION VALUE LANGUAGE, MAINTAINING
COMPUTED VALUE FOR IDENTICAL OR SIMILAR GOODS.

ARTICLE 5 BIS - NEW DRAFT OF FINAL VALUATION STANDARD
AS FOLLOWS: AND SHALL HAVE DUE REGARD TO THE PRINCI-
- PLES AND GENERAL PROVISIONS OF THIS CODE.

- (3) THE PRICE PAID OR PAYABLE IN THE COUNTRY OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 07945 231751Z

- IMPORTATION OF IDENTICAL, SIMILAR OR COMPARABLE
- GOODS GROWN, PRODUCED OR MANUFACTURED IN THAT
- COUNTRY MAY NOT BE USED TO DETERMINE THE VALUE
- OF IMPORTED GOODS.

- (4) THE PERSON RESPONSIBLE FOR ENTERING THE GOODS
- FOR CUSTOMS PURPOSES SHALL BE INFORMED IN WRITING
- OF THE VALUE DETERMINED UNDER THE PROVISIONS OF THIS
- ARTICLE AND THE METHOD USED TO DETERMINE SUCH VALUE.

END QUOTE.

ARTICLE 6 - U.S. LANGUAGE EXCEPT THAT EC SUBSTITUTED
THE WORDS "TRANSACTION VALUE" FOR THE WORDS "PRICE PAID
OR PAYABLE" IN ARTICLE 6(1) AND 6(2). IN ONLY BRACKETED
PORTION OF TEXT, EC BRACKETED TEST RELATING TO SALES
FROM THIRD COUNTRIES.

ARTICLE 7 - COMBINATION OF U.S. AND EC TEXTS WITH
ARTICLE 7(1)(A) REMAINING. TWO ADJUSTMENTS WERE ADDED:

(H) THE VALUE OF THE RIGHT TO USE PATENT, TRADE MARK,

DESIGN AND COPYRIGHT WHICH ARE INCORPORATED IN THE IMPORTED GOODS;

(I) THE VALUE OF ANY PRICE REDUCTION NOT FREELY AVAILABLE TO ANY OTHER BUYER FOR EXPORT TO THE COUNTRY OF IMPORTATION AT THE SAME COMMERCIAL LEVEL OR BUYING IN THE SAME QUANTITY AS THE BUYER IN QUESTION.

3. COMMENT: MTN DEL BELIEVES LATEST EC DRAFT FINALLY CONSTITUTES A DOCUMENT FROM WHICH NEGOTIATIONS CAN PROCEED AS QUICKLY AS DESIRED. WITH THIS FIRST HURDLE OVERCOME, MTN DEL SUGGESTS THAT WASHINGTON NOW PREPARE COMMENTS, TO BE GIVEN TO EC, ON ARTICLES 8-16 OF EC DRAFT.

END COMMENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 07945 231751Z

4. DRAFTED BY SHELLEY. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, AGREEMENT DRAFT, CUSTOMS DUTIES, TAX AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 may 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA07945
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780216-1205
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780530/aaaaazds.tel
Line Count: 138
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 5f9d0799-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2608552
Secure: OPEN
Status: NATIVE
Subject: CUSTOMS VALUATION - LATEST EC DRAFT
TAGS: ETRD, US, MTN, EEC
To: STATE
Type: TE
vdkgvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/5f9d0799-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014